
**Large Residential Washers from China
Inv. No. 731-TA-1306 (Final)**

Petitioner's Public Hearing Exhibits

December 7, 2016

CLYDE WASHER PLANT

Exhibit 1



- World's largest washing machine plant
- Over 3000 employees
- Make a washing machine every 4 seconds
- Over 800 suppliers
- Most employees have 20+ years of seniority
- 2nd and 3rd generation families working at the plant

DAILY RAW MATERIAL USAGE

Number of parts used each day	7,000,000
Pounds of steel	1,800,000
Pounds of plastic resin	290,000

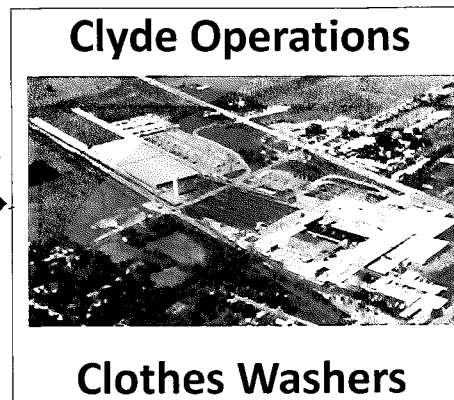
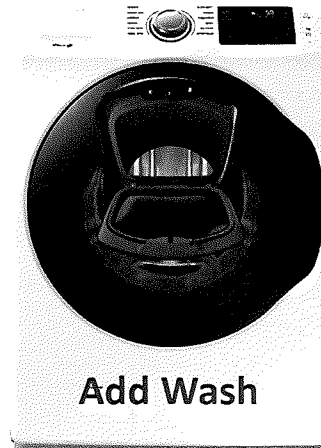


Exhibit 2



WF45K6200AW

- 4.5 cu ft
- No Heater
- No Steam



\$603 Wholesale
Launched in
2Q 2016



\$420 Wholesale
3Q 2016

**30% drop after
being in market for
only 90 days**

Steep price drop for new model is not due to product life cycle

Source: Whirlpool Competitive Intelligence

Exhibit 3

WA40J3000AW

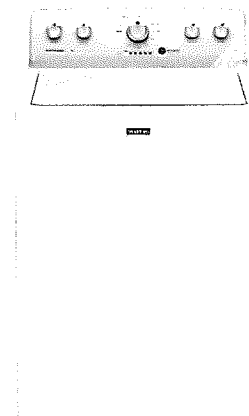
- 4.0 cu ft
- Impeller
- SS Basket
- Solid Lid



\$334 Wholesale
1Q 2015



\$270 Wholesale
1Q 2016



\$354 Wholesale
1Q 2015



\$305 Wholesale
1Q 2016

MVWC415EW

- 3.6 cu ft
- Agitator
- SS Basket
- Solid Lid

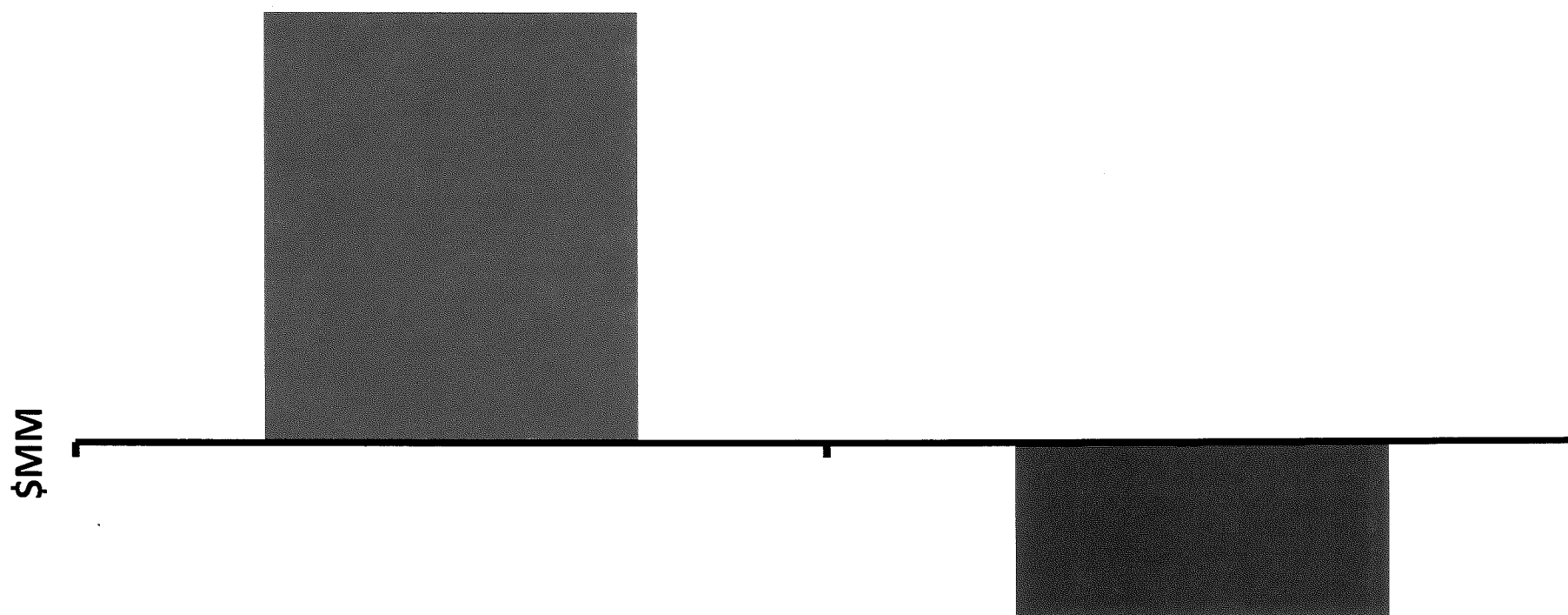
Samsung's entry-level washer and Whirlpool's "agi" compete head-to-head

Source: Whirlpool Competitive Intelligence

Exhibit 4

**Total LRW Investment
During POI**

**Accumulated LRW Losses
During POI**



Whirlpool unable to generate returns on its substantial washer investments

Source: WHR U.S. Producers Questionnaire tables III-9A, III-9B and III-13

Exhibit 5

July 29, 2015

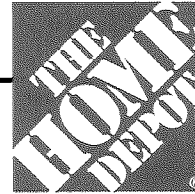


Whirlpool: "not sure I like where the laundry BOF discussions are going. Sounds like of the 4 laundry spots we're gaining a partial spot."

Home Depot: "asking for additional GM on the 72. It's currently at 21% versus the comparable LG at 25%. ***We would like to see some GM expansion as we grow the floor count.***"



Home Depot used LG prices to demand a higher gross margin from Whirlpool



December 3, 2013

Samsung: "Are you still interested in \$499 Samsung top load everyday in 2014"

Home Depot to Samsung: "Actually I thought it was the 400 at \$599 – and yes, it would gain you floor spots with us."

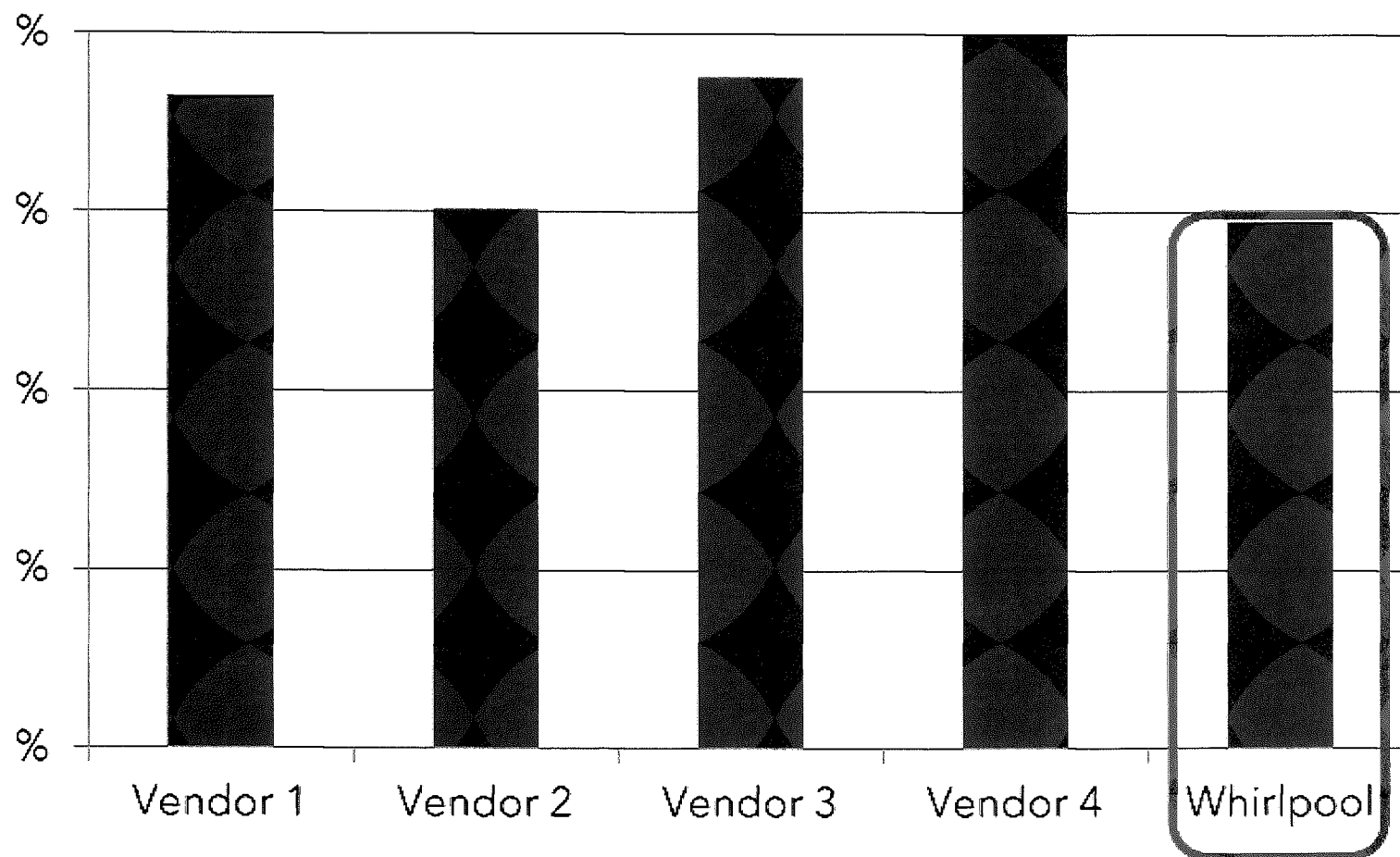
Home Depot to Samsung: "I would go with the following: 3.6cf (25.5" wide) at \$499. This would be large volume as ***you're hitting Wpool/GE where they live....***"

Home Depot (FW:) to Whirlpool: "Samsung coming with a hot \$499/\$499 pair. Quickly – like January."



BIG BOX TOP-TO-TOP PRESENTATION TO WHIRLPOOL

Exhibit 7



Retailer complains that Whirlpool offers lowest margin (i.e., higher prices)

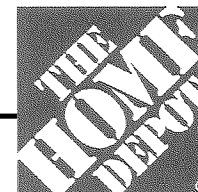
Exhibit 8

April 27, 2012



"As discussed during floor walks this week, ***you will definitely lose spots on the floor*** with this increase. Maxima and most likely the 850 bravos for sure."

July 30, 2012



"with a lot of production being moved to China, {the Korea/Mexico case} is probably a non-factor."

May 8-9, 2012

sears

Sears: "We appreciate Whirlpool's position in regards to the July price increase. We do feel that this will make Whirlpool generally uncompetitive at most impacted price points.... I feel that with the generally uncompetitive position... existing flooring will be at risk. ***If pricing is not competitive, ... it will be replaced.***"

June 14, 2012



"I want to reiterate in writing that we are NOT accepting Whirlpool Corporation's announced July 1st price increase for both stock and SOS product."

Retailers rejected Whirlpool's proposed price increase, citing Chinese imports

January 14, 2016

Subject: LG Basement

BrandsMart USA®
OF COURSE... YOUR FAVORITE BRANDS AT LOW, LOW PRICES

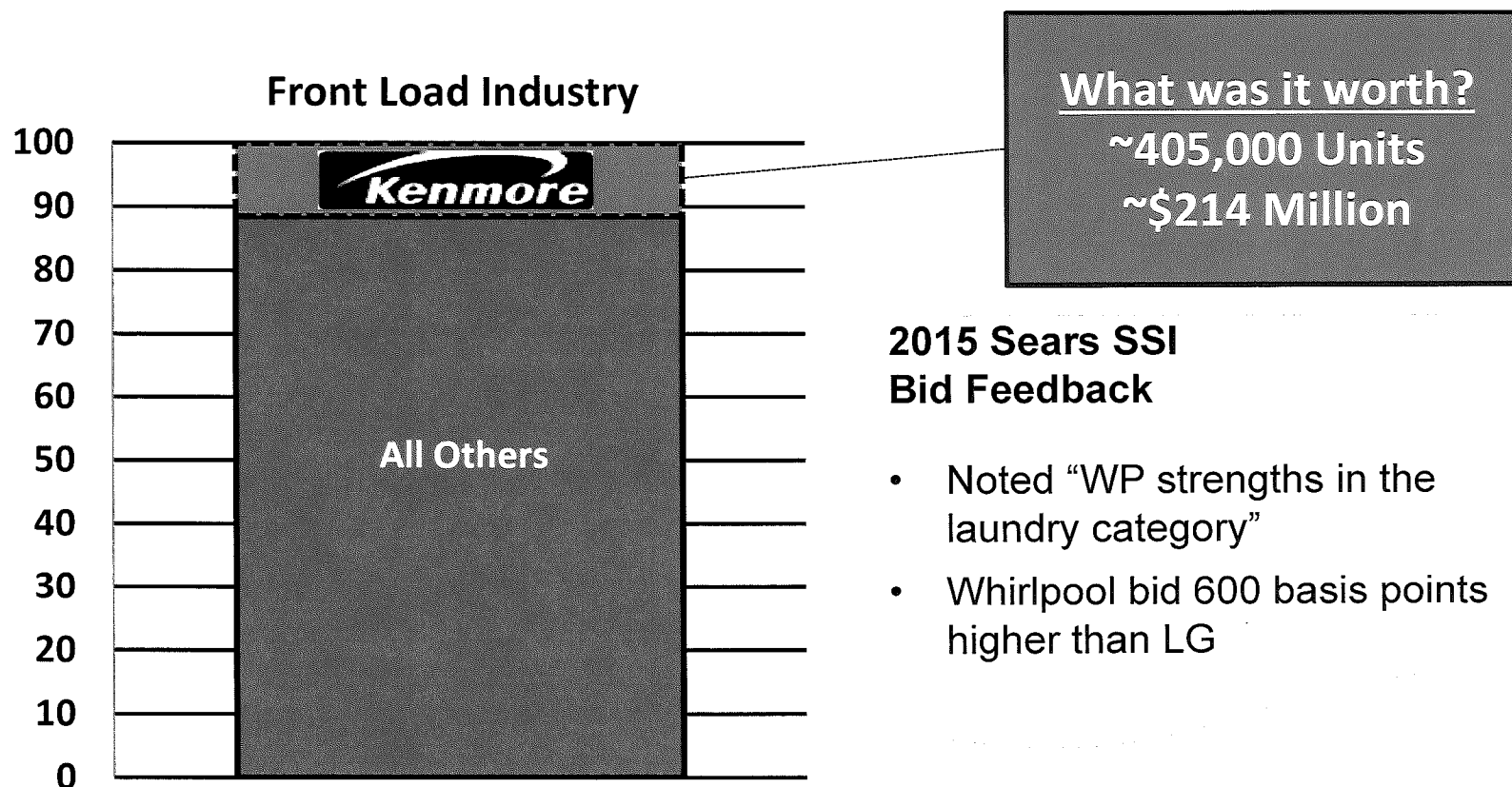
BrandsMart: "Just thought you might like to go down the stairs to LG basement.... Yesterday they made an offer on steam, 4.3cf at \$475. I guess you should get ready to go down stairs, I will be in the basement waiting..."

REMEMBER:

**THERE'S NO SUCH
THING AS A BAD PRODUCT,
JUST A BAD PRICE.**

2015 Sears SSI Bid (2016–2018 Contract)

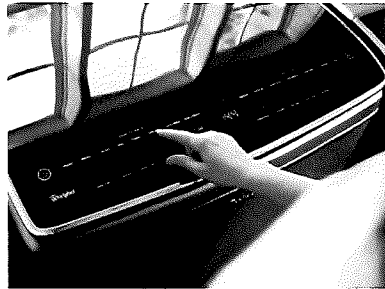
Exhibit 10



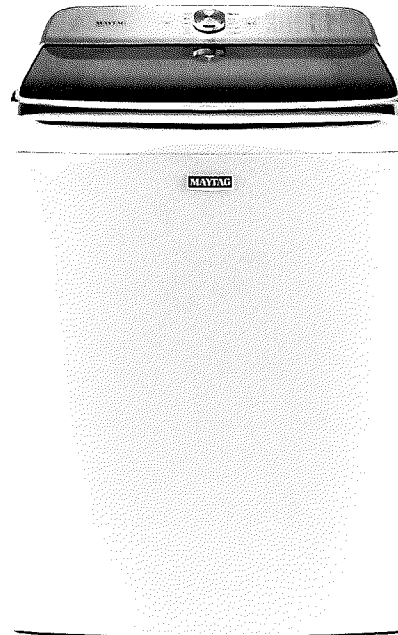
Whirlpool lost a \$214 million Kenmore bid to LG because of price

SAMPLE OF WHIRLPOOL INNOVATIONS

Exhibit 11



Front Control Capacitive
Touch Interface

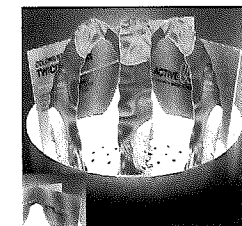
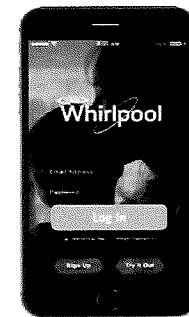


Largest TL Capacity (6.2 cf)
Load & Go™ for top load

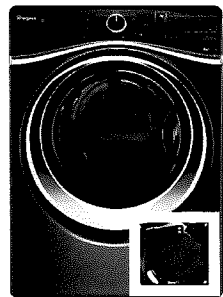


Intuitive touch interface
"What to Wash, How to Wash"

Remote Connectivity
with NEST



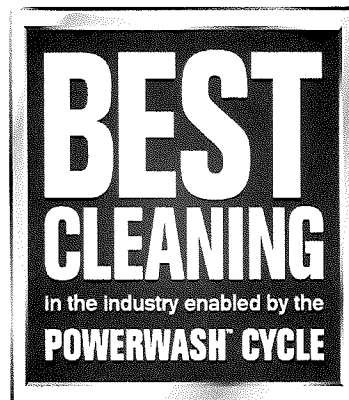
Adaptive Wash



Black Diamond
T.O.M.

Dynamic Venting
Technology™

ColorLast™ Cycle



Load & Go™
for front load

U.S. MANUFACTURERS PERFORM WELL WITH LEADING REVIEWERS

Exhibit 12

	Front Load – Top 10			Top Load – Top 10		
	US	China	Non Subject	US	China	Non Subject
ConsumerReports	4	3	3	6	4	0
Reviewed.com	4	2	4	6	3	1

MHW8200F



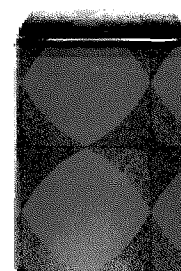
MHW8150E



MHW5500F



Whirlpool has the **#1 - #3** rated Front Load models in *Consumer Reports*



Whirlpool WTW9500BC

7.4

The world's biggest residential washing machine is more than just a huge drum.

Whirlpool has the **#1** rated Top Load model in *Reviewed.com*

Source: Whirlpool U.S. Producers Questionnaire Response, Attachments 5 - 6

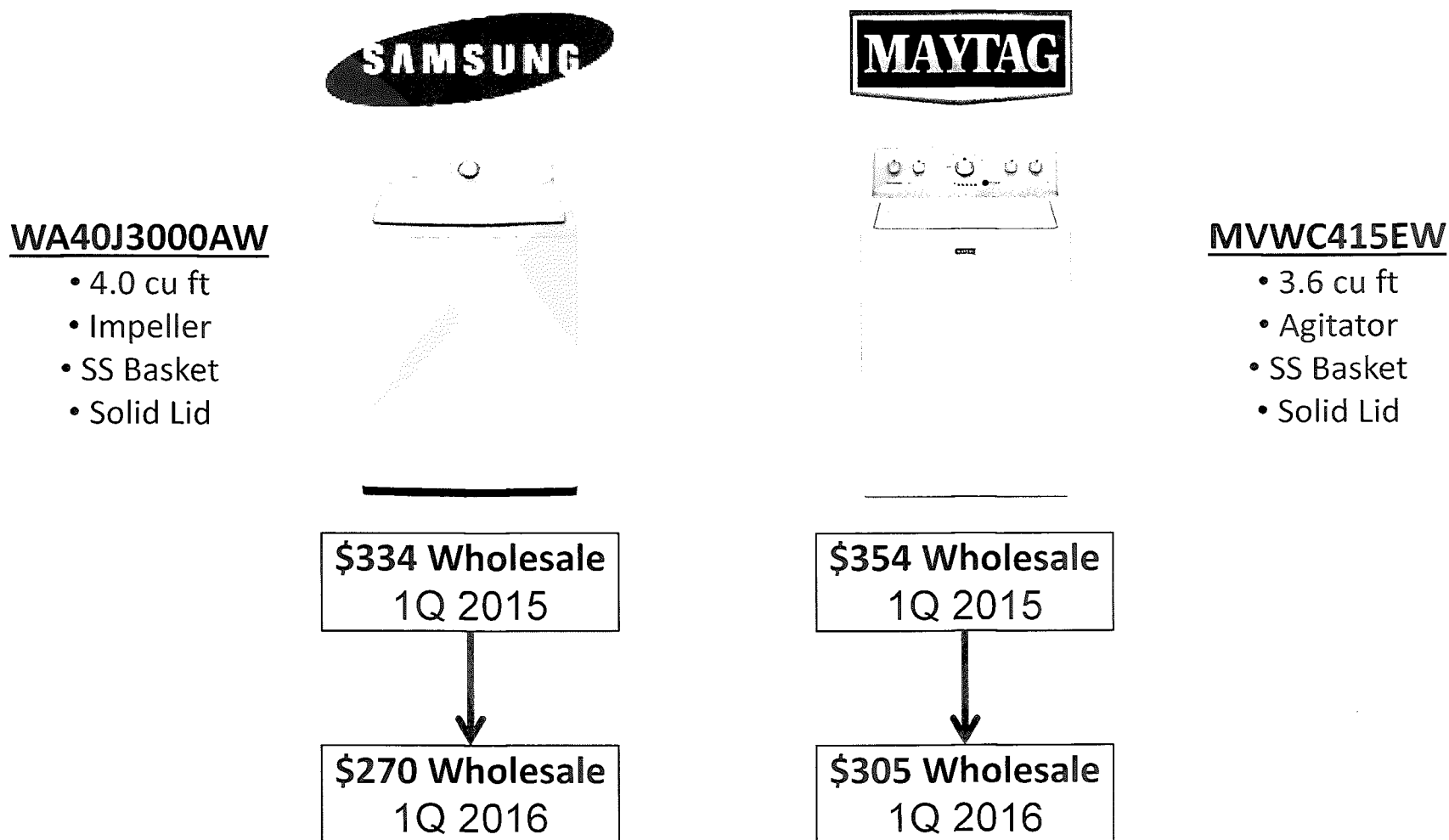
Exhibit 13



If ActiveWash is such a great innovation, why did Samsung discount it so quickly and aggressively?

Source: Whirlpool Competitive Intelligence

Exhibit 3



Samsung's entry-level washer and Whirlpool's "agi" compete head-to-head

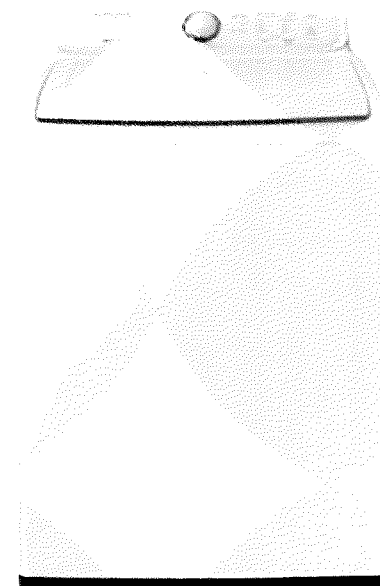
Source: Whirlpool Competitive Intelligence



January 20, 2016

Subject: RWB – topload

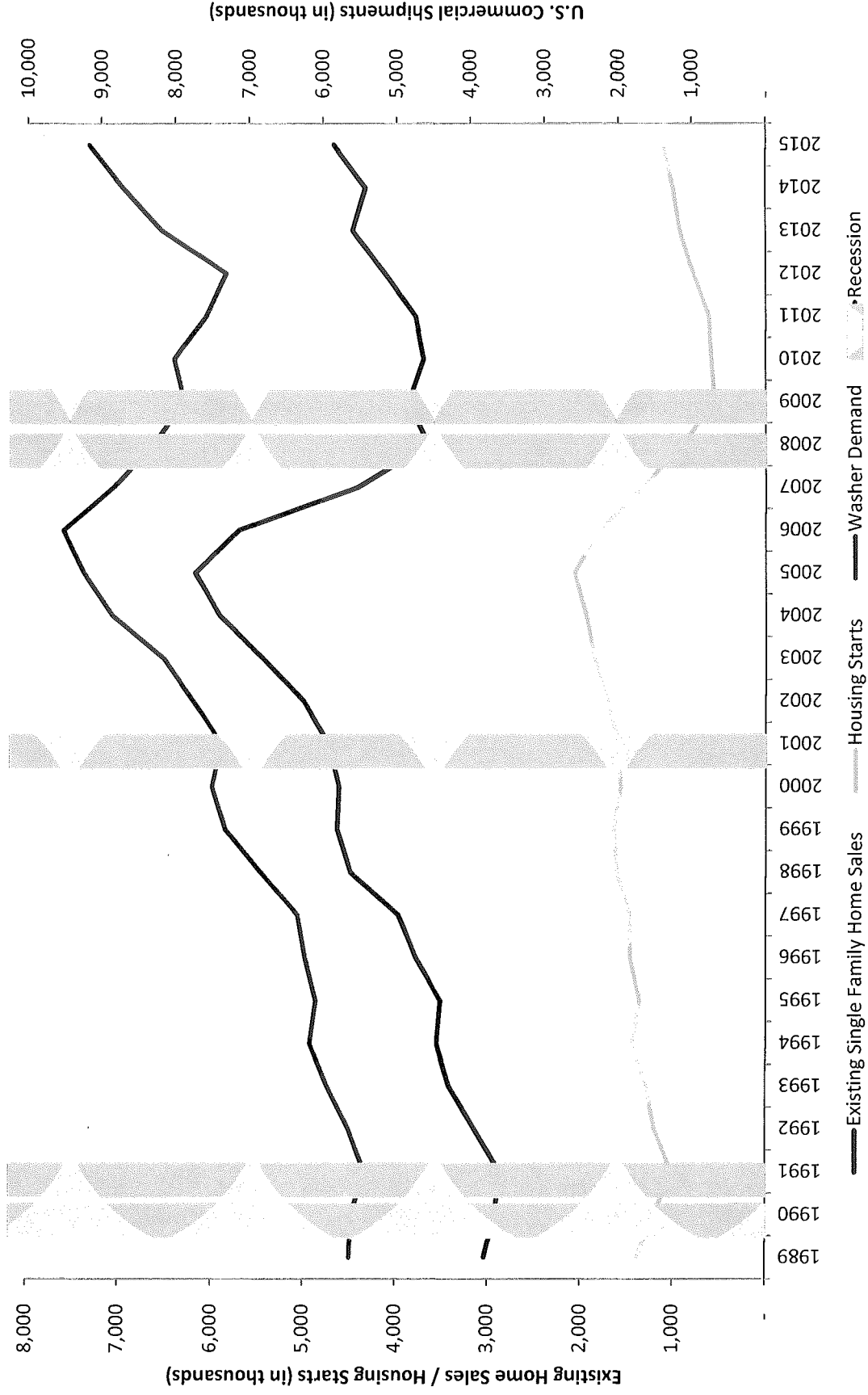
“Looks like ... Samsung will re-up on the 3000 at \$399.... Where will you have the new Maytag or Whirlpool 4.2 cf with agitator?”



Q & A EXHIBITS

WASHER DEMAND

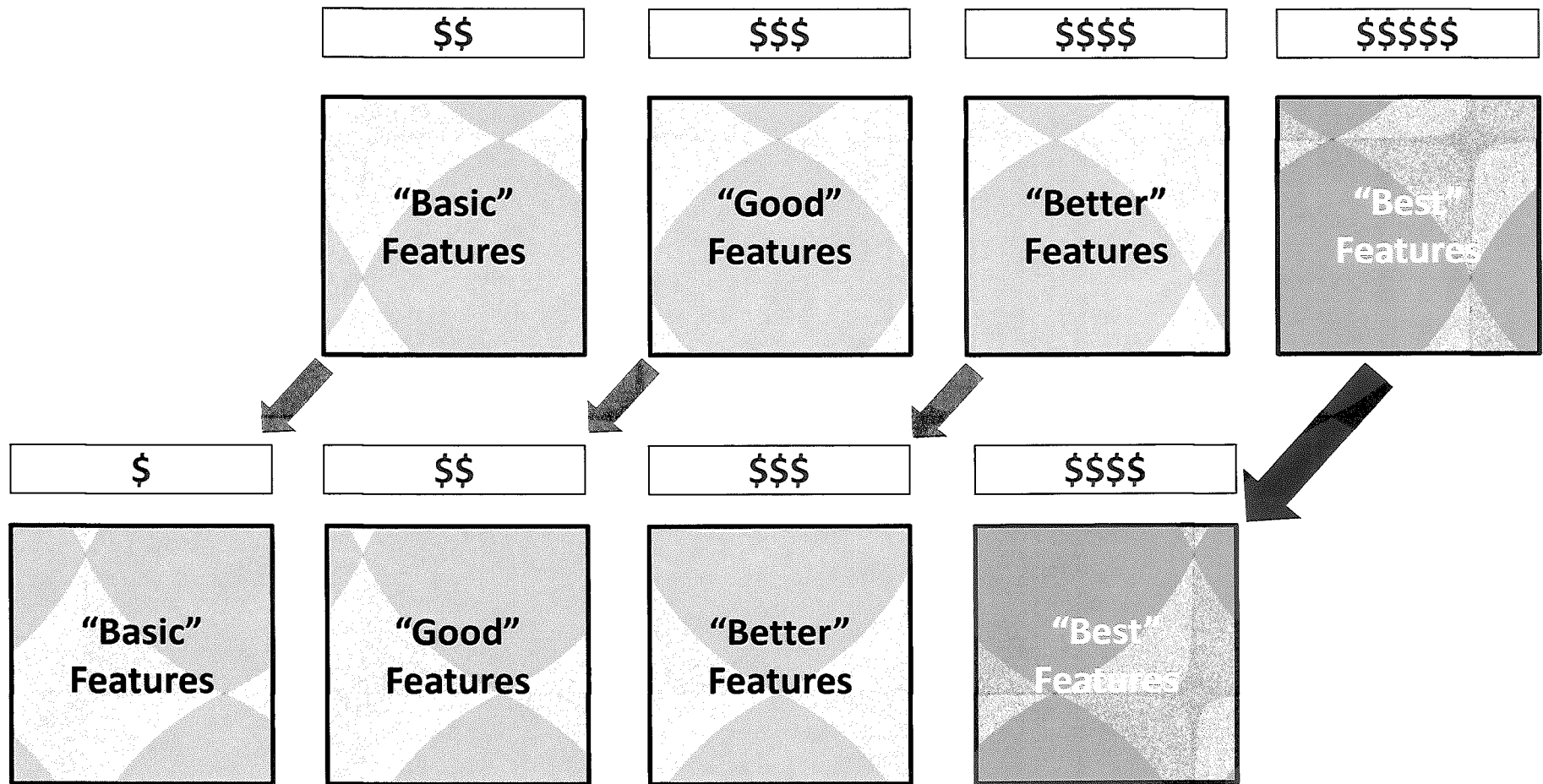
Exhibit 15



Sources: AHAM, IHS Global Insight, VWR Intelligence

PRICE COMPRESSION

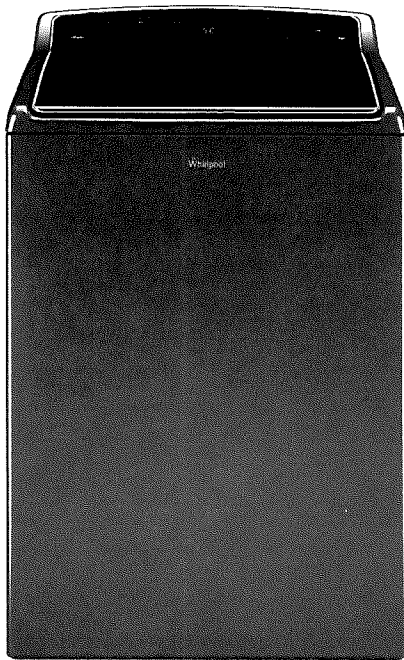
Exhibit 16



Price reduction for more highly featured models compresses prices down the entire model lineup

WHIRLPOOL'S INNOVATIVE PLATFORM INVESTMENTS DURING POI

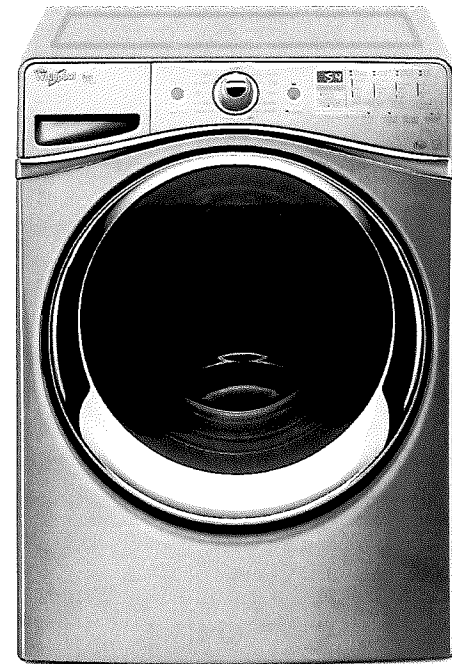
Exhibit 17



VMAX



Advantage



Alpha 2016

Country Comparisons for Price Factors

Purchasing Factor	U.S. vs. China		
	S	C	I
"S"=Superior, "C"=Comparable; "I"=Inferior			
Price	1	13	14
Direct Discounts offered	1	13	13
Indirect discounts offered	1	14	12
Margin opportunity	0	17	11
Promotional support	1	17	10

Source: Prehearing Report at II-31, Table II-8.

"The most often cited top three factors ... were price (26 firms), profit margin (11 firms), and features (11 firms)" Prehearing Report at II-19.

Country Comparisons for Non-Price Factors

Purchasing Factor	U.S. vs. China		
"S"=Superior, "C"=Comparable; "I"=Inferior	S	C	I
Availability	11	17	0
Reliability of supply	11	17	0
Delivery time	18	10	0
Brand	7	19	1
Fit, feel, and finish	1	22	5
Innovative features	1	19	8
Large capacity	1	23	4
Quality meets industry standards	3	25	0
Quality exceeds industry standards	3	23	3

Source: Prehearing Report at II-31, Table II-8.

U.S. washers are comparable or superior on non-price factors

Interchangeability of LRWs
(U.S. Purchaser Responses)

U.S. vs. China			
Always	Frequently	Sometimes	Never
17	8	2	0

Source: Prehearing Report at II-32, Table II-9.

“All U.S. Producers and most purchasers reported that domestic LRWs and subject imports are ‘always’ interchangeable.” Prehearing Report at II-19.

CORE LRW FEATURES

Exhibit 21

Feature	Whirlpool	GE	Samsung	LG
Front Load	Yes	Yes	Yes	Yes
Top Load	Yes	Yes	Yes	Yes
Energy Star	Yes	Yes	Yes	Yes
Direct Drive	Yes	Yes	Yes	Yes
Range of capacities	Yes	Yes	Yes	Yes
Water heater	Yes	Yes	Yes	Yes
Steam cycle	Yes	Yes	Yes	Yes
LED display (for FL)	Yes	Yes	Yes	Yes
Impeller (for TL)	Yes	Yes	Yes	Yes
Clear lid (for TL)	Yes	Yes	Yes	Yes
Color finish	Yes	Yes	Yes	Yes

All manufacturers offer washers with the same core features